





BRIEFS

State Bank Chief... Fugimori dismissed the chief... and the bank's three...

Resume Peace Talks... Ireland reached an agreement... with its main Protestant and Catholic...

Fatal Ethnic Clash... Dated group shot 100 villagers... at least 42 people have been killed...

More Dissidents... Military courts released more... 180 dissidents including four...

Liner United States... The luxury liner the United States... is scheduled to sail from New York...

UPDATE... The luxury liner the United States... is scheduled to sail from New York...

UPDATE... The luxury liner the United States... is scheduled to sail from New York...

UPDATE... The luxury liner the United States... is scheduled to sail from New York...

UPDATE... The luxury liner the United States... is scheduled to sail from New York...

UPDATE... The luxury liner the United States... is scheduled to sail from New York...

UPDATE... The luxury liner the United States... is scheduled to sail from New York...

UPDATE... The luxury liner the United States... is scheduled to sail from New York...



Clearly in the running — Governor Bill Clinton of Arkansas, the likely Democratic Party presidential nominee, leading a group of joggers along Pennsylvania Avenue in Washington on their way from the U.S. Capitol to a campaign rally in Lexington Park, across from the White House.

Jackson Offers to Be No. 2

Otherwise, Democrat Hints, He Might Not Back Ticket... WASHINGTON — The Reverend Jesse L. Jackson says he should be the Democratic nominee for vice president and indicated he might not support the ticket if he was not on it.

Quayle Sees Perot Overtaking Clinton As Main Bush Rival

By Thomas C. Hayes... DALLAS — Ross Perot, the wealthy Texan who is contemplating an independent campaign for president, says that rich Americans should carry a bigger tax burden than other people to help erase the federal budget deficit.

Quake Damage In California At \$50 Million

FERNDALE, California — The powerful earthquake and aftershocks that struck northern California over the weekend injured 94 people and caused nearly \$50 million worth of damage, according to local officials.

For U.S. Navy, Full Speed Ahead on Spy-Central

By John Lancaster... WASHINGTON — With the departure of the Soviet fleet from the world's oceans, the U.S. Naval Intelligence Command might seem to be sailing into lean times.

3 of 4 Ex-Soviet States Are Cleared for Nuclear Aid

By R. Jeffrey Smith... WASHINGTON — The Bush administration has formally certified to Congress that three of the four former Soviet republics with nuclear weapons are eligible to begin receiving a total of up to \$400 million in U.S. aid for dismantling those arms and retaining their weapons scientists.

Foes Meet on Colombia Telephone Chaos

AGUIA, Colombia — Government authorities and telephone workers have met to negotiate an end to a strike that has cut communications between Colombia and the rest of the world.

Still trying to call home without Sprint Express?



Calling home, after all, should be a pleasant experience. To make sure it is next time, use Sprint Express. You see, Sprint Express is the painless way to reach the U.S.

Camera makers do it. Cameramen do it. Let's do it with Vienna. Did you know Vienna has one of Europe's most modern convention centers?



Camera makers do it. Cameramen do it. Let's do it with Vienna. Did you know Vienna has one of Europe's most modern convention centers? For information write, call or fax: Austria Center Vienna, A-1450 Vienna, Austria

Table with columns for country and phone number. Includes Argentina, Australia, Belgium, Bermuda, Brazil, Canada, Chile, Colombia-English, Colombia-Spanish, Costa Rica, Denmark, Dominican Republic, Ecuador, El Salvador, Finland, France, Germany, Guatemala, Hong Kong, Hungary, Indonesia, Ireland, Israel, Italy, Japan (KDD), Japan (IDC), Korea, Liechtenstein, Malaysia, Monaco, Netherlands, New Zealand, Norway, Peru, Portugal, Puerto Rico, San Marino, Singapore, Spain, Sweden, Switzerland, Taiwan, Thailand, United Kingdom, Vatican City, Venezuela-English, Venezuela-Spanish.

# Where Does Egypt's Future Lie? The Elite Fear Fundamentalists' Growing Power

By Caryle Murphy

Washington Post Service

CAIRO — Gasser Shadi seemed to have everything an Egyptian could want: education, a well-paying job, travel abroad. Still, the 32-year-old Honda dealer said he was not happy until he answered God's call and discovered that "Islam is the solution for everything."

"Many people speak about many different ways in Islam," he said. "It's rubbish. There is only one way in Islam, that is 'to love God.'"

Mr. Shadi's fundamentalist view of Islam sends shivers down the spines of many other Egyptian Muslims. They see it as a vast oversimplification of their country's problems and a dangerous mingling of religion and politics.

"In real democracy, I can differ with you and you accept a difference in views," said a retired Egyptian Army general. But when religion dominates politics, he said, "there is no room for difference."

Across the Middle East, battle lines have been taking shape. But this is not, as many would have it, a clash between Islam and the West. Instead, this is a renewal of an ancient battle for the hearts and souls of Muslims — fought now amid extraordinary global changes in communications, economic realignments and democratic reforms.

It is a struggle for power — not just to govern, but to shape the future of the region's social and cultural life — and it is fought by contenders with very different views of Islam's place in their societies. In 1979, this conflict burst with fury across the Middle East when Ayatollah Ruhollah Khomeini, returning to Tehran from exile in France, brought the shah's Iran to its knees and installed the first Islamic republic based on fundamentalism.

Now, just as the 13-year Iranian revolution is maturing and confronting such worldly problems as unemployment and political legitimacy, Islamic activism is challenging the status quo in other Arab states. This was underscored in December in Algeria, where the fundamentalist Islamic Salvation Front was poised to take power after winning elections, only to be stopped by a military coup.

Nowhere in the Middle East is the debate over Islam's place in society as old, and the stakes so high, as in

Egypt. A major power in Arab politics, a key U.S. ally and partner to a peace treaty with Israel, Egypt is also a cultural trendsetter and the seat of an intellectual tradition with enormous regional impact. Its political and business elite have long seen the prophet Mohammed's message as their religion, the norm for their values and the cradle of their culture.

But the Egyptian elite also accepts, at least tacitly, a separation between politics and religion, and a diversity of opinions in both. For them, the badly needed rejuvenation of their society requires greater democratic freedoms, an end to corruption, economic restructuring and a revamped education system not afraid to teach the technology, science and literature of different cultures and to shape young minds in what they call the "scientific" way.

Opposing them are ordinary people like Mr. Shadi, who believe that Mohammed's message, unchanged by time, provides the answers to all the ills of Arab society. If people would conform to pure Islamic models in thought, dress and education, then poverty would disappear and the Arabs would again rule a vast empire. They are the spiritual descendants of the Egyptian schoolteacher Hassan Banna who founded the Muslim Brotherhood, Egypt's first mass Islamic fundamentalist movement, in 1928. Mr. Banna said that Islam admits no distinction between religion and politics.

These fundamentalists see the Koran as the guiding document of politics — not the Western-style constitutions that most Arab governments have accepted in theory but ignored in practice. Some reject democracy as a Western concept.

Among the Islamic fundamentalists hoping to seize political power in Egypt are extremists who have turned to violence. Their most spectacular action was the 1981 assassination of President Anwar Sadat; their most recent, the 1990 murder of the National Assembly speaker, Rifaat Mahgoub, who was shot to death.

"All of them want an Islamic republic here, the difference is in their strategy," said an Egyptian political analyst, Said eldin Ibrahim. "An Islamic alternative will always be part of the political landscape in our country because we are an Islamic country."

Most Egyptians reject violence, but the appeal of

Islam in every other way remains strong among a population buffeted by the problems of modern life, for which no one seems to have answers.

The reasons are clear in this city swollen to 14 million by migration from rural areas. Torn from their roots, families scramble to find places to live, from graveyards to basements to makeshift shacks, often lit by a single light bulb illegally drawing current from a nearby building.

Nearly everyone works two jobs to survive. Newspapers tell of fathers who sell their kidneys, and sometimes their children, for a sum that will relieve their family's misery.

Couples delay marriage because they cannot find or

## Frustrated, confused and apathetic toward their government, many are grabbing for an anchor in an increasingly complex world.

afford an apartment. College graduates go years before landing a job. For these educated ones, the doctrines of the past — socialism, Arab nationalism, capitalism — are empty phrases in their search for economic improvement. Frustrated, confused and apathetic toward their government, many are grabbing for an anchor in an increasingly complex world. It is a yearning they share with the 70 percent of Egypt's 57 million people who are illiterate.

Egypt's security forces, using what a Western diplomat described as "vigorous government discovery action" — a profic system of informers, emergency laws allowing prolonged detention and harsh prison treatment, including torture — have managed to limit the organizational capacity of the more radical and violent groups.

At the same time, the government seeks to neutralize the fundamentalists by adopting their programs pie-

meal. It also relies on a close relationship with the Islamic university of Al Azhar, a font of traditional interpretations of Islam, which President Gamal Abdel Nasser brought under state control in the 1950s.

The result has been an increasingly Islamized society. The sale of alcohol is now prohibited in 14 of Egypt's 26 governorates. Religious programming on television has surged. And the government reportedly is considering replacing the word "interest" in banking with another term, such as "incentive" or "reward," that would be less objectionable to orthodox Muslims, who believe Islam forbids interest.

For the first time in Egyptian history, a novelist was given a prison sentence in December for a work that religious authorities deemed blasphemous because it questioned the validity of all religions, including Islam. Alaa Hamid's sentence, now on appeal, came just weeks before Al Azhar officials ordered several books that criticized a fundamentalist interpretation of Islam confiscated at Cairo's International Book Fair. Though President Hosni Mubarak ordered the books returned, the incident illustrated the narrowing parameters of intellectual debate.

At the same time, Mr. Mubarak has permitted a measure of press and political freedom. His ruling National Democratic Party has a stranglehold on power, and political party activity is severely circumscribed. But Egyptians have a much wider berth to act and speak on political matters than other Arabs. Thus, even though the Brotherhood has been banned since Mr. Nasser's time, it operates unofficially, and the government did not prevent some members from running for the National Assembly in 1987 in a coalition with another party. The Brothers emerged as the largest opposition bloc.

Egypt's fundamentalist fervor has still another cause. Thousands of Egyptians flocked to jobs in Saudi Arabia during its boom years in the 1970s and returned imbued with a more conservative Islamic outlook.

"You could characterize a large part of Egypt as fundamentalist," said a Western diplomat. "A lot of Egyptians are satisfied with the system. They believe it gives full freedom to their beliefs and practices, and therefore they are not attracted to extremism. At the same time, they wouldn't be opposed to what the Muslim

Brotherhood wants, if it were achieved nonviolently." Mohammed Hudeibi, 72, a leader of the Muslim Brotherhood, which has officially renounced violence, said that if the Brotherhood came to power, alcohol "will be forbidden for all Muslims." But non-Muslims would be able to buy it from non-Muslims and could drink, but not in public places.

All women, Muslim or not, would be required to wear *hejab*, to cover their hair in public. Mr. Hudeibi said, but added: "These things must be done by freedom. If we came to power, we would teach it's the religion which forces them to wear it, and voluntarily, they will respond to their religion."

Asked if the Brotherhood would break Egypt's 13-year peace treaty with Israel, Mr. Hudeibi replied: "Is it logical now to do it? We opposed this peace treaty, but if we got to power I don't think we would go to war."

Egypt's accommodation of the fundamentalist movement has many critics among its educated elite. Mohammed Said Ashmawy, a chief judge of Egypt's Higher State Security Court and an expert on Islamic law, contends that fundamentalist Islam is essentially totalitarian. "The first reformulation to do in Islam is to separate politics and Islam, that is, politics should be a human action, not a religious action," he said.

Even if fundamentalists never attain power, Mr. Ashmawy believes, their influence is "retarding development, dividing society and preventing technology and civilization."

There is no consensus about whether the fundamentalists' appeal has peaked or not. Some say yes, noting a decrease in armed clashes between extremists and the police and in fistfights on university campuses where fundamentalist students used to attack students participating in coed activities.

Other Egyptians disagree. They argue that in a future economic or political crisis producing widespread popular dissatisfaction, the fundamentalists could gain the upper hand in a deeply devout, mostly illiterate population. The government's policy of increased Islamization might then leave it no option but to accede to their demands and the political arena, they say. And if a totally free election were held, Islamists would likely do quite well, many say. **NEXT: Islam in Jordanian society**

## Auditor Wants Inquiry Into Sharon's Ministry

The Associated Press

JERUSALEM — A government audit on Monday accused the Housing Ministry, under Ariel Sharon, of mismanaging construction for Soviet immigrants and recommended criminal investigations in at least three cases.

Mr. Sharon said the allegations were unjustified, especially those suggesting that millions of dollars had been wasted on houses now standing empty.

He acknowledged that "a number of mistakes were made," mainly in estimating the rate of immigrant arrivals. But he denied that widespread corruption was involved and promised to examine all the allegations. Mr. Sharon said that because of his ministry's efforts, about 420,000 immigrants who have arrived in Israel since mid-1989 have been taken care of.

"There is not even one today that does not have a roof over his head," he said.

But Dedi Zucker, a leftist Knesset member, said the report indicated "a level of waste that the government has never seen."

Avraham Burg of the opposition Labor Party called for an official

inquiry into the allegations, which was raised in the annual report of Comptroller Miriam Ben-Porat.

The report, which surveyed all government ministries, included a 96-page supplement on companies run by the Housing Ministry. These include Amidar, which buys and allocates apartments for the ministry. Mrs. Ben-Porat asked the attorney general to consider criminal investigations in three instances:

• The allocation of an apartment to the brother of an elected official with the help of senior Amidar and Housing Ministry workers.

• Permission for the ministry's planning director to be appointed a director of a housing company that had been awarded land for constructing hundreds of new housing units for immigrants.

• The issuance of permits to three building companies based on repeated submissions of one plan.

The report was particularly critical of overbuilding, spending by the ministry for nonhousing purposes and the possibility that favoritism may have been shown to contractors who belonged to the governing Likud party, of which Mr. Sharon is a senior member.



Ariel Sharon responding to the report on Monday. He was holding a map showing growth of the Jewish population on the West Bank.

## Iraq Traded Aid for Arms, U.S. Reveals

By Dean Baquet

New York Times Service

NEW YORK — For more than two years the U.S. government has had evidence that Iraq, in the months before it invaded Kuwait in August 1990, diverted food purchased under a \$3 billion American aid program and exchanged it for money and arms in the Soviet bloc and in other countries.

Iraq may have used some of the money to acquire "sensitive nuclear technologies," one high-level U.S. government official wrote in a confidential document dated Oct. 13, 1989.

A team of Department of Agriculture investigators confronted high-ranking members of the government of President Saddam Hussein of Iraq with some of these accusations that same month.

The team also complained that Iraqi officials were repeatedly demanding bribes from many big U.S. agricultural businesses selling food to Iraq, which was using money lent through the American aid program to buy it. In some instances, the Americans paid those bribes, investigators said.

Finally, the team charged that all these undertakings were part of a multibillion-dollar bank fraud in the United States that Iraq was engaged in to help finance the rebuilding of President Saddam's military power.

The Iraqi denied the accusations, and to the astonishment of U.S. law enforcement officials who were investigating the case, the Bush administration expanded the aid program with another half-billion dollars in guaranteed loans.

Direct losses from those loans,

which were backed by the Commodity Credit Corporation of the loan amount, as well as a portion of the interest.

Newly obtained documents and interviews suggest that Soviet-bloc nations, as well as Jordanians and Turks, participated in the subversion of the aid program. The documents also suggest that nuclear technology reached Iraq through the aid program.

None of these accounts makes clear how much food may have been converted to cash or arms.

Officials in charge of the Commodity Credit Corp. declined to be interviewed because they say the suspected Iraqi corruption is still under investigation.

In 1991, some high-ranking Iraqi officials, along with executives of the Atlanta branch of the Bank Lavo, Iraq's principal lender under the aid program, were indicted on charges that they participated in a multibillion-dollar bank fraud.

The State Department also declined to comment, but it has repeatedly said that aid was provided to Iraq to counterbalance Iran, as a way to stabilize the Middle East.

The accusation that Iraq used American aid to build its military force was discussed in an Oct. 13, 1989, meeting in the Agriculture Department.

The participants included lawyers and other officials of the Commodity Credit Corporation, under which the government cosigns bank loans for poor countries that want to buy millions of dollars worth of grain, corn and other farm products.

The government agrees that if

the country defaults, it will repay the bank up to 98 percent of the loan amount, as well as a portion of the interest.

The minutes of the meeting quote the participants as saying, "Although additional research needs to be done, it appears more and more likely that CCC-guaranteed funds and/or commodities may have been diverted from Iraq to third parties in exchange for military hardware."

According to the minutes, the Agriculture Department's inspector general was "concerned that commodities were bartered in Jordan and Turkey for military hardware."

Additionally, the minutes quote another participant as saying that law enforcement officials had "some indication that diverted funds (and possibly direct bank loans) were used to procure nuclear-related equipment. Notes in particular were a 'nuclear fuel compound' and a 'nose cone burr.'"

The participants, who included some senior legal officials of the Agriculture Department, also said that illegal "payments required by Iraq of exporters wishing to participate in the Iraqi market may have been diverted into acquiring sensitive nuclear technologies."

U.S. businessmen, they said, had complained that the Iraqis would not let them sell their products in Iraq unless they provided cash, trucks, spare parts and other equipment. Some companies did so, and those that would not go along, the minutes asserted, "were apparently kept on a black list and not allowed to participate in the Iraqi market."

The documents did not identify the American companies, and investigators declined to.

Law enforcement agents and other government officials spoke in interviews of additional evidence, based on information obtained from intelligence operatives and others, that some food was diverted to Soviet-bloc nations and traded there for weapons. However, they did not identify these nations. This charge was not contained in the minutes of the Oct. 13 meeting.

Iraq's participation in the aid program began in 1983, and by 1989 it was receiving \$1.1 billion in annual loan guarantees, making it by far the biggest participant in the program.

At the heart of most of the Iraqi financial operations in the United States was Bank Lavo, which is largely owned by the government of Italy. The Italian government has insisted that it did not know of the illegalities.

Bank Lavo's Atlanta branch was headed by an ambitious banker named Christopher Drogoul and

was actually more of a broker than a bank. It used its high credit rating to borrow money from other banks, then turned around and lent it to Iraq at a higher interest rate.

The Rome headquarters office approved the initial loans to Iraq, law enforcement officials said. But, hearing too much exposure to a country whose economy was still reeling from an eight-year war with Iran, it declined to let the branch make others, the Italian officials said.

A 347-count indictment returned last year asserts that Mr. Drogoul continued borrowing money from American and other international banks and lending it to Iraq.

According to the indictment, Mr. Drogoul kept track of his unauthorized loans in a separate log known as the "Atlanta branch-office as the 'gray book.'"

The indictment charges that he was induced in part by hundreds of thousands of dollars in cash and gifts he received from the Iraqis and multinational companies that wanted to sell them food.

Court records identify Mr. Drogoul's ally in the scheme as Wafai Dajani, a U.S.-educated Jordanian businessman with intelligence and business connections in the Middle East and the United States. He often boasted of his contacts in the State Department and the CIA.

Mr. Dajani was the principal shipper of the food bought with American aid.

Representative Henry B. Gonzalez, Democrat of Texas, chairman of the House Committee on Banking, Finance and Urban Affairs, which is investigating the Bank Lavo scandal, has accused Mr. Dajani of helping Iraq acquire arms.

In a telephone interview from his home in London, Mr. Dajani denied arms dealing and said his name came up in the Bank Lavo investigation only because of overzealous prosecutors.

In the summer of 1989, the Bank Lavo fraud came to a crashing end. Two U.S. employees of the branch, fearing that they might get caught, walked into the office of the U.S. attorney in Atlanta and offered to make a deal.

On Aug. 4, FBI agents and examiners from the Federal Reserve Bank raided the branch and carved away documents, including Mr. Drogoul's gray book. Law enforcement officials in Atlanta thought they had solid evidence in a case that would be easy to prosecute.

In Washington, Baghdad and Rome, however, the raid set off a series of policy meetings at the highest levels, and the CIA and the State Department began fretting about the impact a prosecution would have on U.S.-Iraqi relations.

## For New Speaker Of U.K. House, It's 'Call Me Madam'

By Craig R. Whitney

New York Times Service

LONDON — The House of Commons elected a 62-year-old Yorkshire woman, Betty Boothroyd, as its 155th speaker on Monday, making her the first woman to hold the office.

Miss Boothroyd, a member of the opposition Labor Party, is one of 60 women in the 651-member House of Commons that was elected on April 9. By 372 votes to 238, she defeated a Conservative, the former Northern Ireland Minister, Peter Brooke, the only other candidate.

"Today you have certainly made history," the Conservative prime minister, John Major, said in congratulating Miss Boothroyd, a former chorus-line dancer and secretary who has been sitting since 1970 on the back benches of the House of Commons.

Miss Boothroyd has enjoyed wide popularity, earning a reputation for fairness and impartiality as deputy speaker to Bernard Weatherill, who has retired.

"Elect me for what I am, not for what I was born," she told the house after her nomination Monday by a former Conservative cabinet minister, John Biffen.

As speaker, she will preside over debates and decide who gets to speak. Members are required to address all their remarks to the speaker, and Miss Boothroyd, who has been a deputy speaker for the last five years, long ago made clear how they were to do it with her in the chair: "Call me Madam," she instructed.

On Monday she was only "Madam Speaker-elect," since she will not formally take office until Tuesday. Then she will go to the House of Lords in a ceremony submitting herself to Queen Elizabeth II for automatic approval, and then claim all the "ancient and undoubted rights and privileges" of the Commons for its members.

Miss Boothroyd, alluding to the requirements for the job described by a predecessor in 1597 — voice great, carriage majestic, nature haughty and purse plentiful — told members before the vote, "It's true that in the past I may have been granted some physical agility, but

my carriage isn't all that majestic now."

Keeping order in an often unruly place now dominated by 591 men who tend to jeer loudly, in chorus, in heated moments of debate would not be easy, she conceded.

"It will be a lonelier life than I have ever known before."

There are few women on the front benches, where government ministers and opposition leaders sit on either side near the speaker's chair, though Mr. Major nominated two women as members of his cabinet: Health Minister Virginia Bottomley and Employment Secretary Gillian Shephard.

Two women, Margaret Beckett and Ann Clywd, are also trying to run for the position of deputy leader of the Labor Party in a confused race thrown open by Neil Kinnock's decision to resign as leader after failing to defeat Mr. Major on April 9.

Nominations to succeed him and his deputy, Roy Hattersley, have to be made by Tuesday, and require the support of at least 55 Labor members of Parliament each. Three Labor leaders, John Smith, Bryan Gould and Ken Livingstone, all want to take Mr. Kinnock's place.

Confusion about the rules for obtaining nominations, and resentment at the influence the country's labor unions will have in the leadership election in July, have made the proceedings "a hysterical mess," in the words of another influential party figure, Clare Short. The party issued another clarification of the nomination rules on Monday.

In the green-carpeted stained-oak corridors of the House of Commons itself, there are precious few concessions to women members nearly 70 years after British women got the vote. There is a barber in the basement for the men, but no hairdresser for women. Some doors marked "Members Only" lead to urinals.

"Every male chauvinist was some woman's son," Miss Boothroyd has said. As speaker, she is expected to be strictly impartial. As a Labor Party member, she supported British membership in the European Community when the party was against it, and opposed its policy of unilateral nuclear disarmament in the early 1980s.



Betty Boothroyd, the first woman speaker in six centuries.

**YOU CAN HAVE A KEY TO THE NEW EUROPE IF YOU PARTICIPATE IN THE 34TH INTERNATIONAL ENGINEERING FAIR**

This year the biggest and oldest fair in CZECHOSLOVAKIA will take place from September 16 to 23, 1992.

Last year's fair had 3,248 worldwide exhibitors and was attended by almost 350,000 visitors (78% professionals).

YOUR PARTICIPATION in the 34th International Engineering Fair in Brno is your chance of the year. DECIDE ON IT IN TIME!

Simultaneously with the 34th International Engineering Fair, an International Workshops Exhibition, SIMET '92, will take place.

Looking forward to seeing you again and providing you with more detailed information.

**BRNO TRADE FAIRS AND EXHIBITIONS, Co. Ltd.**  
Výstavištní 81  
602 01 BRNO  
CZECHOSLOVAKIA  
Phone: (5) 3142960 - Telex: 62239 bvv c - Fax: (5) 333998

**ESCORTS & GUIDES**

**BELLE EPOCH**  
THE ESCORT SERVICE  
LONDON 071 485 2541  
Credit Cards Welcome

**MERCEDES**  
VIP ESCORT SERVICE  
9 AM TILL MIDNIGHT - 7 DAYS  
MAJOR CREDIT CARDS ACCEPTED  
TEL LONDON (071) 381 6646

**LONDON BRAZILIAN**  
Escort Service 071 724 5791/91 Open 7 days

**ZURICH**  
Caroline Escort Service 01/252 61 74

**INTERNATIONAL MODELS**  
ESCORT SERVICE  
TEL LONDON 071 383 7685

**LONDON GLAMOUR**  
HIGH CLASS ESCORT SERVICE

**INTERNATIONAL CLASSIFIED**  
(Continued From Back Page)

**ESCORTS & GUIDES**

**DEBUTANTE**  
Escort Service for Central London & Heathrow 071 431 6364

**LONDON ELEGANCE**  
ESCORT & TRAVEL SERVICE  
TEL: 071 289 7835

**ZURICH SUSAN**  
ESCORT SERVICE. Tel: 01/282 05 80

**VIENNA - BUDAPEST - BRNO**  
Escort Service 01/252 61 74

**INTERNATIONAL MODELS**  
ESCORT SERVICE  
TEL LONDON 071 383 7685

**LONDON GLAMOUR**  
HIGH CLASS ESCORT SERVICE

**ESCORTS & GUIDES**

**INTERNATIONAL ESCORTS**  
Available Worldwide  
212-745-7996 New York, USA  
Major Credit Cards & Checks Accepted

**GLAMOUR**  
VIP Escort Service

**MUNICH - WELCOME**  
Escort Service 7 days.  
FRANKFURT 069 - 91 21 14  
FRANKFURT & DARMSTADT  
Escort Service 7 days  
Tel: 06251-56721

**FRANKFURT ESCORT SERVICE**  
Open 7 days, until midnight. Credit cards.  
Tel: 069-256127 or 069187186

**FRANKFURT - AREA**  
Men's, New Int'l Escort Agency.  
Phone: Call 069 - 597 66 66, Daily.

**FRANKFURT - ROYAL PAVILION**  
Escort & Guide Service  
Tel: 069-256127 or 069187186  
"OPEN 7 DAYS, TEL: 022/349 54 82"

**FRANKFURT - NEW COCO**  
Escort, Travel & Guide Service  
Tel: 069-256127 or 069187186

**FRANKFURT - GINGER - PARR**  
Escort Service  
Tel: 022/738 61 26

**HAIR MAKERS**

**George**

By Rita...

ONLINE...

George...

The '90s American Woman Her Look Is More Confident and More Eclectic

By Cathy Horyn Special to the Herald Tribune

WASHINGTON — It sounds strange, one must admit, but Barbara Bush may just be on the cutting edge of fashion. She wears her skirts short — but not too short. She has a knack for picking out cheerful colors, which certainly brighten up the campaign trail. And like a lot of Americans these days, she recycles. The first lady isn't one to give up on a garment just because it's a little age.

What goes on in the White House, or comes out the door on a pair of pumps, is not unlike what's happening in fashion across the United States this spring. Having initially resisted shorter skirts, women now wear them like urban uniforms and grumble at the suggestion that hemlines may be tumbling by fall. And though the recent ready-to-wear collections in Europe were shrouded in black, one has only to take a walk down Madison Avenue in New York to know that people aren't yet inclined to dress for a funeral.

A lot of people seem to be feeling a bit more charitable toward fashion than perhaps they did when the '80s ended with so much talk about conspicuous consumption and fashion overkill.

"I think women in America look better than they have in a long time," says Elin Saltzman, who recently left Macy's to become fashion director at Bergdorf Goodman. Maybe the collective message of shorter hemlines, leamer suits, snappier colors and better haircuts has finally sunk in, giving women a kind of benchmark for self-improvement.

Look at Hillary Clinton. There are any number of reasons why she intrigues people, not the least of which is her striking appearance. And yet 10 years ago she might well have gone unnoticed — just another invisible lawyer with big glasses and money brown hair.

It is also pretty clear that some of the old stereotypes — about fashion, political wives, cultural differences — no longer apply. When Laura Hunt moved to Washington from Dallas last year, she heard all about intolerance for fashion inside the Beltway. "But it's not exactly true," says Hunt. "There are groups of people here who like to dress."

It is possible, in fact, to attend three or four parties a week in Washington between now and

the summer recess of Congress. "We were out nearly every night last week and I must say the women looked quite good," reports Amiko Gaal Schott, who was a buyer at Garfinkel's for many years and now sells real estate in Georgetown. "But I've never thought Washington was a dowdy city." As it happens, the current buzz at cocktail parties is about dressmakers — who has the best one.

Not long ago, Marc Jacobs spent some time abroad — in Barcelona, Berlin, Capri and Paris — and the New York designer thinks "young,

It's true that Americans do not necessarily get their ideas about fashion from the runways.

hip people are the same wherever you go." They are listening to music that has been sampled and remixed, and wearing clothes that are as eclectic as the furniture in their living rooms.

"Who's to say when you're supposed to wear patent leather shoes?" asks Jacobs, who not only had patent leather Beate boots in his fall collection for Perry Ellis but python and pony ones as well. "Those rules are so archaic."

If anything goes at home and abroad, it's because everything is accessible. "What you take from the mix makes you an individual," says Jacobs, who believes that the '90s may prove to be a more spontaneous era of personal style. Such a view seems to reflect the optimism of the moment, and the feeling among many women that they no longer want to blend into a corporate or politically correct landscape.

And yet it's also true that Americans do not necessarily get their ideas about fashion from the runways, that a lot of clothes are brought through catalogues or at places like The Gap, and that many opinions about "appropriate dressing" remain almost dogmatic. Not long ago, for instance, The Washington Post ran a series of pictures showing how a conventional woman's suit from Brooks Brothers could be worn five different ways — from frumpy to sexy. The column produced letters of rebuke from women who said the sexy version would not only be unwearable but would invite sexual

harassment. In Paris or Milan, however, such a suit would be considered fashionable, if not commonplace.

Linda Dressner, who owns three boutiques in Michigan and New York, travels to Europe a lot, and what she notices among American women is a reluctance to let go of certain habits, like big hair and heavy makeup. "In Europe, women are wearing skinny pants, interesting shoes and a jacket that's tight around the bottom," she says. "In this country, a woman is more likely to wear a skirt, clear stockings and not such fascinating shoes. She looks refined — basically, but a little overgrown and not so confident in her skin." Even when women have all the right accessories — Chanel or Versace bags, Manolo Blahnik slides, Hermes stoles — they look "too obvious," she says.

When Saltzman is abroad, she notices how European women cleverly mix new and old clothes together. "I think they have a talent for pulling themselves together," she says. "Americans are not as confident about that. Last year's clothes look like last year's clothes."

There are so many divergent opinions about what constitutes fashion in the United States that a person who might be hip in New York would be overdressed in Los Angeles and underdressed in Washington. As Jacobs puts it, "In New York, you're a bit more buttoned up; in L.A., a little more unbuttoned." On the other hand, the tourists who stand in line outside the White House look pretty much like Americans everywhere: polo shirts, blue jeans, sneakers, fanny packs and baseball hats.

THAT Barbara Bush has not been subjected to the same scrutiny as her predecessor suggests either that people think she looks just fine or that her clothes are attractive but not particularly noteworthy. As it happens, that perspective says a lot about how many Americans view fashion these days — with an interest bordering on detachment.

They have found the means to dress well — short skirts, pantsuits, opaque stockings and such. They watch MTV for trends and buy them at The Gap. And when they go abroad, they don't feel quite as conspicuous as they once did, because, after all, the world is a far more casual place.

Cathy Horyn is the fashion editor of The Washington Post.



Individual approaches to fashion: A Marc Jacobs outfit, at left. At right, Barbara Bush and Hillary Clinton.

STYLE MAKERS

Naoki Sakai NOW, THE KONSEPUTA

TOKYO — What do you get when you mix a designer and marketing specialist with an inventor? In Japan you get a *konseputa*, or conceptr, a wildly successful new breed of product designer.

Conceptors are stretching the traditional boundaries of design by embracing product development as part of their approach. Unlike designers, they oversee the entire life cycle of a product, from its inception to its marketplace introduction. Like fashion designers, they tend to deal in specialized markets. Like marketing experts, they read the pulse of the marketplace. And they bring a vision to products that is often associated with inventors.

"These guys are Henry Fords and Thomas Edisons on a smaller scale," Tucker Viemeister, vice president of Smart Design in New York, said during a recent visit to Tokyo. "They not only have new ideas, they have the control to push them through."

The seeds of conceptring were first sown in Japan in the late 1970s by the versatile designer Yasuhiro Hamano. With uncanny foresight, Hamano developed the concept for and oversaw the completion of Tokyo's most successful "lifestyle" monuments today: the do-it-yourself department store Tokyo Hands, the design-oriented Axis building, and the chic First First building.

Hamano's achievements brought about a surge in behind-the-scenes concept consulting in the early 1980s. But it was Naoki Sakai, the 45-year-old university dropout who is today Japan's most famous and flamboyant conceptr, who finally gave it a name.

In addition to coining the term, Sakai popularized the profession through the head-turning, ground-breaking, highly visible products he introduced in the late 1980s. From the Pike series, an offbeat line of limited edition compact cars, to Atelier Coffret, a floral pattern ice cream in three flavors and designs, his eye-catching products have be-



Sakai: The Japanese Thomas Edison of trendy design.

come overnight sensations, appealing to new markets and pioneering new styles.

"Sakai is the guru of trendy design for the 1990s," Fumio Shimizu, editor of Fusion Planning, a high-profile Japanese design magazine, said. "He has the vision to develop new products for our age."

Sakai acts as an antenna for companies trying to redefine their corporate identities or restructure their product lines. Nissan, for instance, was fighting an uphill battle against its stodgy image when it approached him and his design think tank, Water Studio, in 1983.

On Sakai's advice, the carmaker introduced the Pike series, a line of unusual-looking compact cars geared toward a young, free-thinking market. Produced between 1987 and 1991, the buglike Be-1, the rugged Pao and the cute convertible Figaro cars were instant sellers, even at prices as much as 180 percent above those of standard models. Yukihiko Ingawa, a

Masuda said. "But Sakai is mainly concerned with what they want." By all accounts, his nose for the new has proven next to infallible.

Sakai holds up the "Brand Matrix," a "map of human nature" he invented to isolate markets, as the secret to his success. Divided into nine categories of varying sizes, ranging from young junior to adults and from "conservative" to "aggressive," it distinguishes itself from other market research tools by identifying consumers based on personality type.

According to Sakai, a typical "conservative" or "authentic stage" woman wears Chanel and Christian Dior clothes while a typical "aggressive" or "performance stage" woman favors Lesy Miyake and Jean-Paul Gaultier, for example. In all, Sakai has identified 10 brands within each group, accounting for a total of 900 labels.

As the first step in developing a product, Water Studio conducts extensive interviews with consumers in the targeted market. For an Olympus camera geared at the "performance stage," for example, "We asked consumers about their furniture, their shoes, their fantasies, their favorite movies, everything," Sakai said.

AMONG the responses, two things stood out. One, a preference for metal surfaces, eventually translated into the camera's aluminum body; the other, an affection for the film "Brazil" contributed to its appealing retro-future design. Produced in 1988 in a limited edition of 20,000 and sold for about \$400, "O-product" was a critical and commercial success.

It's no coincidence, perhaps, that Water Studio's most thoughtful products, like the "O-product," have been targeted at people much like Sakai and his 20-member staff. "We are part of our own major market," he has acknowledged. "The well-bred, young, turn-of-the-century, cosmopolitan, audiovisual info junky."

Carol Lutfy

George IV: Prince With a Collector's Flair

By Rita Reif New York Times Service

LONDON — Remembered more as a passionate collector than as a ruler of the British Empire, George IV was a man of sumptuous taste. His flair was demonstrated in the 18th-century French treasures he bought to fill Carlton House, his London mansion.

In 1820, after becoming king, he demolished Carlton House, because it was too small for his exquisitely inlaid cabinets, Sevres dinner services and gilded clocks, and began to significantly enlarge Buckingham Palace. He died in 1830, before the renovation was completed.

Now some of George IV's finest possessions are assembled in the Queen's Gallery at Buckingham Palace in "Carlton House." The Past Glories of George IV's Palace, the largest exhibition of this collection ever held.

The show, which opened in January and remains through October,

covers a 40-year period when, as the Prince of Wales and later the Prince Regent, George was on a nonstop shopping spree. During that time he furnished both Carlton House and the more exotic Brighton Pavilion in Brighton.

"The exhibition is just a window on Carlton House," said Sir Geoffrey de Bellaigue, the director of the Queen's Collection, of which this is a small part. "One could easily do another exhibition of equally important material without a single duplication."

The exhibition is an eclectic mix of paintings, furniture, decorations, silver, porcelains and weapons — a total of 215 items ranging from what were period styles to modern when George bought them.

"He was collecting antiques in the early 19th century, long before it was fashionable," Sir Geoffrey said.

For example, in 1820 when Neoclassicism was giving way to Gothic, George acquired one of the show's Rococo triumphs: a Louis XV drop-front desk decorated with

Japanese lacquer panels that was owned by the Duchesse of Mazarin before the French Revolution.

That same year he also bought another outmoded artifact: a 17th-century clock and stand, swirled with the Baroque curves and the foil-backed pewter and tortoiseshell inlays that were trademarks of André-Charles Boulle, Louis XIV's cabinetmaker. The motif on the clock's crest — a gilded Apollo mask in a sunburst — suggests that it was owned by Louis XIV.

NOT all of George's furniture is opulent. Far more sober is a late-18th-century cabinet by Adam Weisweiler, described by Sir Geoffrey as "one of the handsomest pieces of furniture in the Louis XVI style in the Royal Collection." Neoclassical in design, it is embellished with pietra dura panels of inlaid marble birds and flowers made a century earlier in Florence. Far more spectacular was the silver service George ordered in 1806, while still Prince of Wales.

Produced primarily in London by taste makers like Paul Storr and Philip Rundell, the vases, candelabra, buckets and ewers are swash with mythological creatures and classical imagery.

"He was a showman," Sir Geoffrey said. "He wanted to create dramatic impact. He wanted to surround himself with things that amazed and astonished."

that took about 20 years to complete.

Escada's new spring collection Marie-Martine

Escada advertisement for Marie-Martine collection, 4, rue de Sévres, Paris 6th

EDUCATION DIRECTORY

TASIS: American Education European Tradition. Challenging U.S. college-prep education for international students.

GERMANY: IF YOU ARE LOOKING FOR MORE THAN A SCHOOL AT WHICH TO STUDY FRENCH OR GERMAN. CERN LANGUAGES offers you...

ITALY: SCUOLA POLITECNICA DI DESIGN. First Italian School of Design, founded by N. Di Salvatore.

GERMANY: University of Maryland University College. announces its residential, four-year undergraduate program in Schwäbisch Gmünd, Germany.

FRANCE: BOSTON UNIVERSITY in Paris and elsewhere offers MASTER'S DEGREES in BUSINESS ADMINISTRATION or INTERNATIONAL RELATIONS.

AUSTRIA: A coeducational American Boarding School in Austria's Olympic City of 1964 and 1976. Grades 9-12, P.G., excellent academic standard.

FRANCE: The most renowned school for French INSTITUTE DE FRANÇAIS. An INTENSIVE COMPLETE IMMERSION course on the Riviera.

ENGLAND: The Burtons English Summer School. RESIDENTIAL SUMMER HOLIDAY ENGLISH LANGUAGE AND ACTIVITY COURSES.

Handwritten Arabic text: هكذا من الاول

Herald International Tribune

A Vacuum in Europe

As the fighting in Yugoslavia goes on and on, it is demonstrating with abominable clarity that the world at present has no effective way to stop a war.

As the fighting in Yugoslavia goes on and on, it is demonstrating with abominable clarity that the world at present has no effective way to stop a war.

A Promise of Peace

With oxygen and blood transfusions, the Middle East peace talks seem certain to survive a fifth round in Washington that began yesterday.

All progress need not await the Israeli elections. The parties to this week's talks — Israel, Lebanon, Syria, Jordan and the Palestinians — have named Rome as an acceptable venue for the next round.

Non to Nuclear Tests

It is a landmark in the evolution of the nuclear testing issue that a Western country and American ally, France, has joined Russia on the short list of avowed nuclear countries observing a testing moratorium.

It is a landmark in the evolution of the nuclear testing issue that a Western country and American ally, France, has joined Russia on the short list of avowed nuclear countries observing a testing moratorium.

Other Comment

Change Thai Policy on Burma
The Burmese military leadership's record of human rights violations has deteriorated since its massacre of pro-democracy demonstrators in 1988.

into Bangladesh. Against this background, the latest announcement about loosening [the regime's] clampdown on political dissenters is neither a magnanimous move nor something the average Burmese citizen can rejoice over.

Americans on Japan: Outraged, Awed and Wrong

By Alan Webber and William Taylor

CAMBRIDGE, Massachusetts — The bravado matched with paranoia that once marked the American response to the Soviet Union now characterizes reactions to Japan: an impulse to refute whatever the other side says about America even when Americans know it to be true, matched by an instinct to assert the other side's automatic supremacy even when Americans know that not to be true.

Ultimately, after a company-wide educational assessment of its 25,000 manufacturing and support workers, Motorola discovered that only half could perform at the seventh grade level in math and English.

the Soviet military, so last fall, for example, Congress's Office of Technology Assessment published a 375-page tome on industrial policy that chronicled Japan's apparently unstoppable rise in everything from semiconductors and computers to machine tools and aerospace.

On the shop floor and in boardrooms, America's long-term competitive strength is both wide and deep.

Soviets. In the current competition, United States vs. Japan, industry by industry, who would you rather be? And we are not talking about fast food, movies or rock music, the globally dominant end products of American pop culture.

America has an illiteracy rate of 13 percent. Japan's illiteracy rate is 1 percent.

prime minister piles on with the opinion that Americans have lost their work ethic. The predictable response: national outrage. Education Secretary Lamar Alexander took grave offense: "They were wrong about our being less productive. They vastly overestimated the number of illiterate workers we have, and we didn't need the Japanese lecturing us on what it takes to be a good American."

Consider Motorola, a company that is highly regarded. In 1985, Motorola decided to build a new cellular phone plant outside Chicago rather than in Malaysia or Singapore. The company understood that it needed a well trained and motivated work force, so it administered a simple math test to see how much training its workers needed. The startling result: Only 40 percent passed a test with questions as simple as "Ten is what percent of 100?"

Three American Visions of a Worrisome Period Ahead for Asia

By Leslie H. Gelb

NEW YORK — This column was supposed to be about China. It was going to key off Nicholas Kristof's terrific and alarming articles in the New York Times recently about China's 50 percent increase in military spending in the last three years and the ardently anti-American tone of its internal debates.

They do not predict new wars. But they are worried, and they are searching for a way to understand their dynamic and volatile region. For some strategic/intellectual net. In my meanderings I found three approaches: Holbrook's School of New Triangular Diplomacy, Alvin Toffler's Academy of Internal Preoccupations and Mystery Man's Theory of a Chinese-Iranian Connection.

And he notes that the Washington and Tokyo points of the triangle are far stronger than Beijing's. In any event, he feels that Asian nations are mostly preoccupied with making money and internal affairs.

With the Enemy Gone, America Has to Cope With Its Friends

By Jim Hoagland

WASHINGTON — Without the Kremlin threat to resolve or marginalize problems for them, America and its allies are entering an era of permanent tensions. Allied institutions that served to defuse such tensions during the Cold War will have to be overhauled or supplemented with other institutional arrangements.

and a soothing exchange of messages. For more than four decades, America has practiced alliance management through NATO and the U.S.-Japan security treaty, with ad hoc use of the Group of Seven, the United Nations and a few other international institutions.

as a security blanket protecting Europeans and Asians not from Russians but from themselves. The experts seemed stumped when asked how governments would sell this view to younger generations of Japanese, Germans and Americans who have been taught that a half-century of democracy and free enterprise have transformed the former Axis countries into stable, non-belligerent societies.

INTERNATIONAL HERALD TRIBUNE
KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER
LEE W. HUBNER, Publisher
JOHN VINOCCUR, Executive Editor
WALTER WELLS, News Editor
SAMUEL ABT, KATHERINE KNORR
CHARLES MITCHELLMORE, Deputy Editor
CARL GEWIRTZ, Associate Editor
ROBERT J. DONAHUE, Editor of the Editorial Pages
REGINALD DALE, Economic and Financial Editor
RENE BONDY, Deputy Publisher
RICHARD H. MORGAN, Associate Publisher
JUANITA I. CASPARI, Advertising Sales Director
ROBERT FARRER, Circulation Director, Europe
International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France. Tel: (1) 46.37.93.00. Telex: Adversing, 613595. Circulation: 612832. Editorial: 612718. Production: 630698.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1892: Nay to Women

LONDON — Sir Albert Rollit moved the second reading of the Parliamentary Franchise (Extension to Women) Bill yesterday (April 27). Mr. Gladstone was expected in London to vote against the bill against which he has already launched his pamphlet thunder.

1942: Germans Accused

KUYBYSHEV, Russia — [From our New York edition:] Vlaschlar M. Molotov, Soviet Commissar for Foreign Affairs, in a note today (April 27) fixed the responsibility for atrocities committed by German officers and soldiers in Russia on the German Government which carefully worked out a campaign of horrors and issued orders for its execution.

1917: Fighting at Last

NEW YORK — When informed that a gun named after him on board the Atlantic Transport liner Mongolia had sunk a German submarine, Mr. Theodore Roosevelt said today (April 27) that the news greatly pleased him and he congratulated the captain, the

gunner and the crew. He added: "Thank Heaven some Americans have at last begun to fight. We have been altogether too long purely at the receiving end of this war which Germany has waged against us."

1942: Germans Accused

KUYBYSHEV, Russia — [From our New York edition:] Vlaschlar M. Molotov, Soviet Commissar for Foreign Affairs, in a note today (April 27) fixed the responsibility for atrocities committed by German officers and soldiers in Russia on the German Government which carefully worked out a campaign of horrors and issued orders for its execution.

OPINION

Bush Has a Big Scandal on His Hands

By William Safire

LOS ANGELES — A specter is haunting the Bush administration — the specter of the Lavoisier scandal. Four billion dollars, one-fourth of it guaranteed by the U.S. government, flowed through the corrupt Atlanta branch of an Italian bank in the late '80s to finance Saddam Hussein's war machine.

The Democrats have their election-year Watergate.

Departments impeded the investigation. The reason: George Bush did not want to embarrass Iraq, a country he was persuaded would be his key to stability in the Middle East.

labeled "secret" has been placed in the Congressional Record since Senator Mike Gravel placed the Pentagon Papers in that publication. But, like Poe's purloined letter, the remarkable revelations have gone unremarked.

apparently misled Congress about sharing intelligence with Saddam in 1989 and 1990. Senator David Boren's Sept. 19, 1991, report for the Select Committee on Intelligence on the nomination of Robert Gates for CIA chief states: "Intelligence sharing continued on a sporadic basis until 1988 when the war between Iraq and Iran ended."

That is directly contradicted by a State Department "option paper" for Brent Scowcroft, dated May 16, 1990, signed by J. Stapleton Roy, in the Gonzalez papers: "Intelligence Cooperation: Intelligence exchanges have waxed since the Gulf War ceasefire. PRO: They still provide Iraq with limited information on Iranian military activity that would be missed. CON: Ending this contact would close off our very limited access to this important segment of the Iraqi establishment."

That suggests that the CIA's cooperation with Saddam's thugs was not ended in 1988, as Mr. Gates presumably assured the Senate. It "waxed" but continued — finding-free — well into the Bush administration years of 1989 and 1990. Senate Intelligence oversight failed.

The Lavoisier financial scandal erupted during a period of diplomatic crisis. When the invasion of Kuwait ended Mr. Bush's appeasement, he covered up the financial scandal lest it reveal the extent of his previous appeasement.

Lighten Up, Friends, We've Grown Heavy

By Henry Allen

WASHINGTON — This is an age in America when even simple grace, wit and charm are alien. An age when Everything Is Very Important, when everything is a career move and fraught with correctness; an age of end-of-empire brooding and Puritan finger-pointing; an age when everything is "at risk" or "in crisis," as in children or infrastructure (whatever that is). It is a time of little fun, and much heaviness.

MEANWHILE

been a land that favored the massive. It bragged of cities of big shoulders, purple mountains' majesty, the Mormon Tabernacle Choir, a view of life that seems to be forever seeing the world through the windshield of a 1956 Buick Roadmaster.

When the preferred state for singer's faces became pain worthy of a Flemish crucifixion triptych. Or maybe it began when the '60s got away from its real calling, which was fun, and got involved with politics, consciousness-raising and the word "natural." It was about then that we began to use the word "heavy" to describe things that were important or frightening.

Ten years later, we began to see something wrong. We told each other, "Hey, lighten up." We have not lightened up. This complaint is not nostalgia. Indeed, nostalgia is one of the symptoms of The Age of Heavy — nostalgia for the American dream, for the yesteryear of American innocence, for the aching twilight of WASP hegemony as shown by Ralph Lauren in those Polo ads where the people are pretending it's 1937, and they're strolling around the summer place with their hair blowing a little in the wind and a sense of something lost. Beneath this wistfulness lurks heaviness.



What if we no longer had to look at those gleaming, hairless proto-fascist bodies-by-Soloflex in the Calvin Klein ads for underpants? What if we banned all future performances of "A Chorus Line" and all music by Andrew Lloyd Web-

ber? What about a moratorium on movies that are largely close-ups of faces with pores the size of man-hole covers, faces that make you feel as though you're watching your dentist panic because the root-canal is going wrong, the anesthesia is wearing off — movies like Oliver Stone's "JFK"?

LETTERS TO THE EDITOR

Shaking Up the World Bank

Regarding "Shake-Up at World Bank, but Where's the Vision?" (Business/Finance, April 16) by Keith Bradsher: Reversing World Bank management is not only Lewis T. Preston's favorite occupation, these days, it has also taken up most of the time of his two predecessors, probably for the same reasons.

at the headquarters of the IMF, which I served for most of that period. There is no doubt that the bank's McNamara-inspired expansion during the 1970s was the most important bureaucratic as well as substantive event in its history. Some adjustment might have been required afterward to scale down an occasional excess of ambition. Instead, however, the staff have been constantly subjected to unnecessary pressures from above, combined with uncertainties, internal infighting and professional cannibalism from within that did not necessarily lead to survival of the fittest.

it still controls, it should be less cavalier about the bank's international staff. After all, U.S. banks such as those where Mr. Preston gained his experience have not exactly been models of good management in recent years. Perhaps the United States should emphasize substance rather than form in its criteria for the choice of candidates for the bank presidency.

ing," the forced relocation of an entire people, the Armenians, carried out with terrible loss of life, property and culture by the Turkish government. Stalin and Hitler carried such misdeeds to even more horrific lengths. Turkey must face the truth, as did, and do, let us hope, Germany and the ex-U.S.S.R. The question has become: How do we comprehend mass evil? What is its source? How can we help Turkey, in this case, to face such a blighting history? Must we not look inside ourselves, each nation, each individual? Has America really faced up to the "social engineering" past and present, that has treated blacks and native Americans as unwanted elements, or as cheap labor, instead of as free human beings? Israel

and the Palestinians? France and her Algerian past? Britain and the Irish? The aging Goethe said he had come to realize, "There is no human crime of which I would not be capable."

professional in which fair skin was added to the list of qualifications? By his argument, countries where women with long legs and full breasts are considered beautiful should be branded "leggist" and "businist" or some similar derogatory term, and likewise for men, "broad-shoulderist" or "tall-dark-handsonist."

GENERAL NEWS

Democrats Drop Arms Cuts

Final Military Spending to Be Close to Bush's Proposals

WASHINGTON — Democrats in Congress have backed away from their earlier plans to seek sharp reductions in the military budget next year, making it likely that the final figures will closely resemble those proposed by President George Bush.

Democrats who heads the Armed Services Committee, for example, does not support deeper cuts in fiscal 1993, but his call to reduce military spending by \$30 billion to \$35 billion more than Bush's target of \$41 billion in additional cuts.

The House subcommittee that controls military spending recently restored \$2 billion to next year's budget for a second Seawolf submarine, and the program's supporters now say that they believe they may win financing for a third.

GREECE AND THE NEW EUROPE

ATHENS, MAY 21 - 22, 1992. A major conference co-sponsored by the American-Hellenic Chamber of Commerce and the International Herald Tribune

Table with 2 columns: MAY 21 and MAY 22. Lists conference events including Chairmen's Opening Remarks, Keynote Address, Lunches, and various panels on Greek and European issues.

Registration form for the conference. Includes fields for name, address, telephone, and checkboxes for enclosed check and invoice. Total cost listed as £450.00.

JAPAN: Exam Competition Reaches to 2-Year-Olds

Kyoto, head of a branch of this juku in northwest Tokyo. "We are interested in teaching them how to play and enjoy learning."

in a nearby class, eight children, each about 3, sat politely in little chairs in a row as a teacher held up pictures of a kite, a dragon, and other objects, calling on the students to identify them.

But the very success of jukus in training youngsters to pass exams has made the competition worse: jukus help more students pass exams, so the exams have to be made more difficult.

1942: Germans Accused

KUBYSHEV, Russia — [From a New York edition] Vichy France's Soviet Commissioner for the Middle East, in a note today (April 27) placed the responsibility for the 1942-43 famine in Russia on the Germans and whites in Russia, who were accused of deliberately starving the population.

Its Friends

in United Nations headquarters, says the Russian is a tax to fund Japan's 500,000-man force in Okinawa. He says the effect of the tax is to force the Japanese to pay for the cost of their own occupation.

ad for Asia

But China's economy seems to be on the rise. It is attracting investment from the U.S. and other countries. And the Chinese are unable to pay off their debts to Washington.

15 AND 50 YEARS AGO

1977: The crew of the space shuttle Challenger was launched for the first time. It was the 25th mission of the shuttle program.

1942: Germans Accused

KUBYSHEV, Russia — [From a New York edition] Vichy France's Soviet Commissioner for the Middle East, in a note today (April 27) placed the responsibility for the 1942-43 famine in Russia on the Germans and whites in Russia, who were accused of deliberately starving the population.







MARKET DIARY

Rising Bond Yields Undercut Stocks

New York - Falling Treasury bond prices weighed on stocks Monday...

The Dow Jones industrial average fell 19.90 points to 3,304.56...

supply of bonds on dealers' shelves...

Stocks were also hurt by Compaq Computer's release of first-quarter earnings...

where declining issues outnumbered advances by a 6-to-5 ratio...

The sudden rise in interest rates is siphoning off a lot of the buying power...

Analysts said there was a good

harmed good to its economy if it increased government spending...

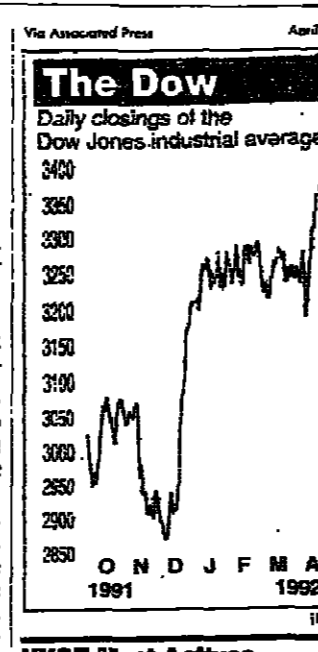
Germany officials said, managed to dodge any serious confrontation...

For the economic strategists in the Russian government...

The dollar rose to 1.5235 Swiss francs from 1.5125 and to 5.5780 French francs from 5.5725...

Germany officials said, managed to dodge any serious confrontation...

For the economic strategists in the Russian government...



Dow Jones Averages table with columns for Index, High, Low, Last, and Change.

Standard & Poor's Indexes table with columns for Index, High, Low, Last, and Change.

NYSE Most Actives table listing top trading volume stocks.

AMEX Most Actives table listing top trading volume stocks on AMEX.

NYSE Diary table showing advanced and declined issues.

AMEX Diary table showing advanced and declined issues on AMEX.

NASDAQ Diary table showing advanced and declined issues on NASDAQ.

Dow Jones Averages table with columns for Index, High, Low, Last, and Change.

Standard & Poor's Indexes table with columns for Index, High, Low, Last, and Change.

NYSE Most Actives table listing top trading volume stocks.

AMEX Most Actives table listing top trading volume stocks on AMEX.

NYSE Diary table showing advanced and declined issues.

AMEX Diary table showing advanced and declined issues on AMEX.

NASDAQ Diary table showing advanced and declined issues on NASDAQ.

EUROPEAN FUTURES table with columns for Index, High, Low, Last, and Change.

Food table with columns for Index, High, Low, Last, and Change.

Industrials table with columns for Index, High, Low, Last, and Change.

Stock Indexes table with columns for Index, High, Low, Last, and Change.

Dividends table listing companies and their dividend payments.

Market Sales table showing trading volume for various indices.

N.Y.S.E. Odd-Lot Trading table showing odd-lot trading data.

S&P 100 Index Options table with columns for Strike, Bid, Ask, and Volume.

Financial table with columns for Index, High, Low, Last, and Change.

3-MONTH EURO DOLLARS (LIFFE) table with columns for Index, High, Low, Last, and Change.

3-MONTH EURO DOLLARS (LIFFE) table with columns for Index, High, Low, Last, and Change.

3-MONTH EURO DOLLARS (LIFFE) table with columns for Index, High, Low, Last, and Change.

3-MONTH EURO DOLLARS (LIFFE) table with columns for Index, High, Low, Last, and Change.

3-MONTH EURO DOLLARS (LIFFE) table with columns for Index, High, Low, Last, and Change.

3-MONTH EURO DOLLARS (LIFFE) table with columns for Index, High, Low, Last, and Change.

3-MONTH EURO DOLLARS (LIFFE) table with columns for Index, High, Low, Last, and Change.

EUROPEAN FUTURES table with columns for Index, High, Low, Last, and Change.

Food table with columns for Index, High, Low, Last, and Change.

Industrials table with columns for Index, High, Low, Last, and Change.

Stock Indexes table with columns for Index, High, Low, Last, and Change.

Dividends table listing companies and their dividend payments.

Market Sales table showing trading volume for various indices.

N.Y.S.E. Odd-Lot Trading table showing odd-lot trading data.

S&P 100 Index Options table with columns for Strike, Bid, Ask, and Volume.

Financial table with columns for Index, High, Low, Last, and Change.

3-MONTH EURO DOLLARS (LIFFE) table with columns for Index, High, Low, Last, and Change.

3-MONTH EURO DOLLARS (LIFFE) table with columns for Index, High, Low, Last, and Change.

3-MONTH EURO DOLLARS (LIFFE) table with columns for Index, High, Low, Last, and Change.

3-MONTH EURO DOLLARS (LIFFE) table with columns for Index, High, Low, Last, and Change.

3-MONTH EURO DOLLARS (LIFFE) table with columns for Index, High, Low, Last, and Change.

3-MONTH EURO DOLLARS (LIFFE) table with columns for Index, High, Low, Last, and Change.

3-MONTH EURO DOLLARS (LIFFE) table with columns for Index, High, Low, Last, and Change.

U.S. / AT THE CLOSE

Digital Equipment to Cut 10,000 Jobs

Fidelity Has Nearly 10% of Citicorp

Boeing's Earnings Sharply Higher

Macy Chairman Ready to Step Aside

Compaq Profit Falls 60% in Quarter

German Markets Take Hit

U.S. FUTURES

Grains table with columns for Index, High, Low, Last, and Change.

WHEAT (CBOT) table with columns for Index, High, Low, Last, and Change.

WHEAT (CBOT) table with columns for Index, High, Low, Last, and Change.

WHEAT (CBOT) table with columns for Index, High, Low, Last, and Change.

WHEAT (CBOT) table with columns for Index, High, Low, Last, and Change.

WHEAT (CBOT) table with columns for Index, High, Low, Last, and Change.

WHEAT (CBOT) table with columns for Index, High, Low, Last, and Change.

WHEAT (CBOT) table with columns for Index, High, Low, Last, and Change.

WHEAT (CBOT) table with columns for Index, High, Low, Last, and Change.

WORLD STOCK MARKETS

Table of world stock markets including Amsterdam, Brussels, Frankfurt, London, and Zurich.

Table of world stock markets including Amsterdam, Brussels, Frankfurt, London, and Zurich.

Table of world stock markets including Amsterdam, Brussels, Frankfurt, London, and Zurich.

German Markets Take Hit

FRANKFURT - Financial markets sagged on Monday after Foreign Minister Hans-Dietrich Genscher unexpectedly announced his resignation...

The DAX index dropped to 1,742.22 points at the close of the Frankfurt market...

Table of German market data including DAX index and other indicators.

Table of German market data including DAX index and other indicators.

Table of German market data including DAX index and other indicators.

Table of German market data including DAX index and other indicators.

Table of German market data including DAX index and other indicators.

Table of German market data including DAX index and other indicators.

Table of German market data including DAX index and other indicators.

U.S. FUTURES

WHEAT (CBOT) - Grain futures prices...

Table of U.S. futures prices for various commodities.

Table of U.S. futures prices for various commodities.

Table of U.S. futures prices for various commodities.

Table of U.S. futures prices for various commodities.

Table of U.S. futures prices for various commodities.

Table of U.S. futures prices for various commodities.

Table of U.S. futures prices for various commodities.

Table of U.S. futures prices for various commodities.

U.S. / AT THE CLOSE

Digital Equipment to Cut 10,000 Jobs

Fidelity Has Nearly 10% of Citicorp

Boeing's Earnings Sharply Higher

Macy Chairman Ready to Step Aside

Compaq Profit Falls 60% in Quarter

German Markets Take Hit

U.S. FUTURES

Grains table with columns for Index, High, Low, Last, and Change.

Grains table with columns for Index, High, Low, Last, and Change.

U.S. / AT THE CLOSE

Digital Equipment to Cut 10,000 Jobs

Fidelity Has Nearly 10% of Citicorp

Boeing's Earnings Sharply Higher

Macy Chairman Ready to Step Aside

Compaq Profit Falls 60% in Quarter

German Markets Take Hit

U.S. FUTURES

Grains table with columns for Index, High, Low, Last, and Change.

Grains table with columns for Index, High, Low, Last, and Change.

EUROPE

Siemens Net Rose 8% in First Half

Compiled by Our Staff From Dispatches
BONN — Siemens AG, Europe's largest electrical engineering group, said Monday that its group net profit rose 8 percent in the first half of the financial year...

Investor's Europe
Frankfurt DAX, London FTSE 100 Index, Paris CAC 40. Includes line graphs and a table of stock indices with columns for Exchange, Index, Monday Close, Prev. Close, and % Change.

Petrochemicals Hit Nests Profit

APF-Excel News
HELSINKI — Neste Oy, the state-owned, energy-based conglomerate, said Monday that its net profit tumbled 81.5 percent last year...

For EC, Taste Is the Name of the Game

By Charles Goldsmith
International Herald Tribune
BRUSSELS — A food fight is looming over whether the European Community should grant special recognition to famous names like Roquefort cheese and Parma ham...

Weakness Seen for Italian Markets

MILAN — Italian financial markets, shaken earlier this month after elections dealt a major blow to the governing coalition, took President Francesco Cossiga's resignation over the weekend largely in stride...

Weak Quarter Is Expected For Chemicals in Germany

FRANKFURT — Germany's three largest chemical companies are likely to report lower profits for the first quarter of 1992 but their prospects should improve, industry analysts said Monday...

Very briefly:

- Rank Organization PLC, the leisure group, said it was holding talks with a number of parties interested in buying its five London hotels...
Torstein Hagen, a Norwegian investor, said he bought an option on about 1 million shares in Nedlloyd Groep NV...

Eurotunnel Sets Dispute Appeal

PARIS — Eurotunnel SA, operator of the Channel tunnel, said Monday it would appeal an arbitration panel's March ruling that it must triple its monthly payments to Transmanche Link...

PORSCHE: Lower-Cost Model?

(Continued from first finance page)
Porsche has cut the number of dealers it has cut from 330 two years ago. For longer-term survival, Porsche badly needs a hot-selling new model, industry analysts said...

EUROPHENIX FUND
NOTICE TO SHAREHOLDERS
The Directors of Europhenix Management Company S.A. inform the Europhenix Fund Shareholders that the weekly Net Assets Values are now available daily on Reuter Screen, Monitor, page PBLU.

SAVE & PROSPER BALANCED FUND
SICAV
45, rue des Seilles, Howald
R.C. Luxembourg B 22 823
Notice
Notice is hereby given that an extraordinary general meeting of shareholders shall be held at the registered office, 45, rue des Seilles, Luxembourg, Howald, on 29th May, 1992, at 3.30 p.m. for the purpose of considering the following agenda:

NASDAQ

NASDAQ Monday's Prices
NASDAQ prices as of 4 p.m. New York time. The list compiled by the NYSE consists of the 7,000 most traded securities in terms of dollar volume. It is updated twice a year.

Table of stock prices and market data, including columns for various stock indices and individual company shares.

FREE TRIAL SUBSCRIPTION
"THE GLOBAL INVESTMENT DIRECTOR"
timely opportunities • trend reversals • special situations
Read about the coming gold boom!
Please print clearly or send business card with coupon. NO OBLIGATION
Please send me the "Director" absolutely free for 6 weeks

AMEX

Monday's 3 p.m. Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Table with columns: High, Low, Stock, Div, Yld, PE, 52 Wk High, Low, Latest Chg. Lists various stocks like AIA, AIA, AIA, etc.

Table with columns: High, Low, Stock, Div, Yld, PE, 52 Wk High, Low, Latest Chg. Lists various stocks like AIA, AIA, AIA, etc.

Table with columns: High, Low, Stock, Div, Yld, PE, 52 Wk High, Low, Latest Chg. Lists various stocks like AIA, AIA, AIA, etc.

Table with columns: High, Low, Stock, Div, Yld, PE, 52 Wk High, Low, Latest Chg. Lists various stocks like AIA, AIA, AIA, etc.

Table with columns: High, Low, Stock, Div, Yld, PE, 52 Wk High, Low, Latest Chg. Lists various stocks like AIA, AIA, AIA, etc.

Table with columns: High, Low, Stock, Div, Yld, PE, 52 Wk High, Low, Latest Chg. Lists various stocks like AIA, AIA, AIA, etc.

Stock Sale Under Auction

Advertisement for International Herald Tribune subscription. Includes text: 'You can't beat this subscription offer: SAVE up to 46% off the newsstand price. RISK-FREE TRIAL PERIOD... FREE BONUS ISSUES... Mail your order today or call us toll-free. France: 05-437-437. Germany: 0130-8185-85.'

Advertisement for NYSE Monday's Closing. Includes text: 'Monday's Closing Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press.'

Advertisement for 'TO OUR READERS IN BUDAPEST'. Includes text: 'Hand delivery of the IHT is now available on the day of publication. Call today: 175-7735.'

Stock Sales At Hyundai Under Study

Seoul — The government reported Monday on the unbalanced Hyundai Group as the Securities Supervisory Board launched an investigation of seven group subsidiaries suspected of illegal stock transactions.

The commission suspects that Chung Ji Yung, founder of the Hyundai group, was paid for some of the 520 million in Hyundai shares he sold to group employees before the Jan. 20 date given by the Securities Supervisory Board, the official said.

Meanwhile, seven executives of the group's shipping arm, including Chung Mong Hui, the fifth son of Mr. Chung, were formally charged with evading a total of 5.8 billion won (\$7.4 million) in taxes, prosecutors said.

The younger Chung, deputy chairman of Hyundai Merchant Marine Co., and six others have been accused of forging invoices to overstate outgoings by 21.1 billion won, mostly in order to escape tax obligations, Mr. Chung was arrested last week.

The companies to be investigated by the supervisory board are: Hyundai Heavy Industries Co., Hyundai Elevator Industrial Co., Hyundai Housing & Industrial Development Co., Hyundai Merchant Development Co., Korea Industrial Development Co., Hyundai Motor Co. and Hyundai Precision Industrial Co.

The move follows a decision late last week by the Office of Bank Supervision to postpone indefinitely sanctions against Hyundai Electronics, in what was seen as a political break for the group.

The office had warned that it might cut off credits to the unit after finding it had channeled 13.3 billion won in borrowed funds to the elder Chung's political party.

Japan-U.S. Tools Accord Set No Quotas After '93 Antitrust Bill Faulted

TOKYO — Japan and the United States have agreed to end a voluntary restraint agreement on exports of Japanese machine tools to America at the end of 1993, the Ministry of International Trade and Industry and the Office of the U.S. Trade Representative announced Monday.

The Japanese ministry said the original five-year agreement, which expired in December, would be extended until the end of next year, with the number of categories of machines tools under quota restrictions reduced from six to four and with Japan allowed to enjoy a slightly bigger U.S. market share next year.

Japan is to keep its U.S. market share for manually controlled lathes, machining centers and numerically controlled punching and shearing machines to the current level in 1992.

Until Dec. 31, the Japanese machine-tool makers can hold a maximum of 57.4 percent of the U.S. lathe market, 51.5 percent of the machining-centers market, 19.3 percent of the punch and shearing market and 7.2 percent of the milling-machine market, the official said.

For 1993, the maximum market shares for Japanese companies will expand to 60.3 percent for the market for lathes, 54.0 percent for machining centers, 21.6 percent for punches and shears and 7.5 percent for milling machines.

TOKYO — The U.S. Trade Representative, Carla A. Hills, called Monday on Japan to strengthen enforcement of its antitrust policy to create a more competitive environment.

During a meeting with International Trade and Industry Minister Kozo Watanabe, Mrs. Hills indicated that the proposed increase in antitrust fines was insufficient, a government official said.

The government has submitted a bill to parliament that would lift criminal penalties on companies deemed to be involved in antitrust activity to a maximum 100 million yen (\$743,000). At present the maximum fine is 5 million yen.

U.S. officials have recently criticized what they say is the Japanese government's lax attitude toward enforcing antitrust laws.

Mrs. Hills traveled to Tokyo on Sunday after talks with her counterparts from the European Community, Canada and Japan at the northern Japanese resort of Kitashirobar.

Japanese Brokers Post Stock Losses for Year

TOKYO — Three of Japan's biggest brokerage houses announced Monday large losses on marketable securities and said they would propose cuts in their annual dividends for 1991-92.

Analysts said the dividend cuts and portfolio-valuation losses came as no surprise, given the fall in Japanese stock prices and the decline in brokerage profits over the period.

The write-downs would have less impact on the brokerages than similar losses announced by Japanese banks on Friday, some analysts said.

Daiva Securities Co. said it had cut its current profit forecast for 1991-92 by 30 percent and would propose to shareholders a cut in its annual dividend to 9 yen (6.7 U.S. cents) per share in 1991-92 from 14 yen per share the previous year.

Daiva said it would include a write-down of marketable securities of 36.46 billion yen for the year ended March 31.

Nikko has also forecast a 1991-92 parent net loss of 26 billion yen, against a net profit of 39.66 billion in 1990-91. The company said it would include an 18.16 billion yen write-down of marketable securities for 1991-92.

Yamaichi Securities Co. said it would propose cutting its dividend for the year ended March 31, 1992, to 7.5 yen from 13.5 yen a year earlier. But it added that its forecast of a parent current loss of 34 billion yen for 1991-92 was unchanged.

Yamaichi said it would include a 40.76 billion yen write-down of marketable securities for 1991-92.

The top brokerage, Nomura Securities Co., last week announced a similar write-down of 34.54 billion yen for 1991-92, but made no statement on either its profit or dividend.

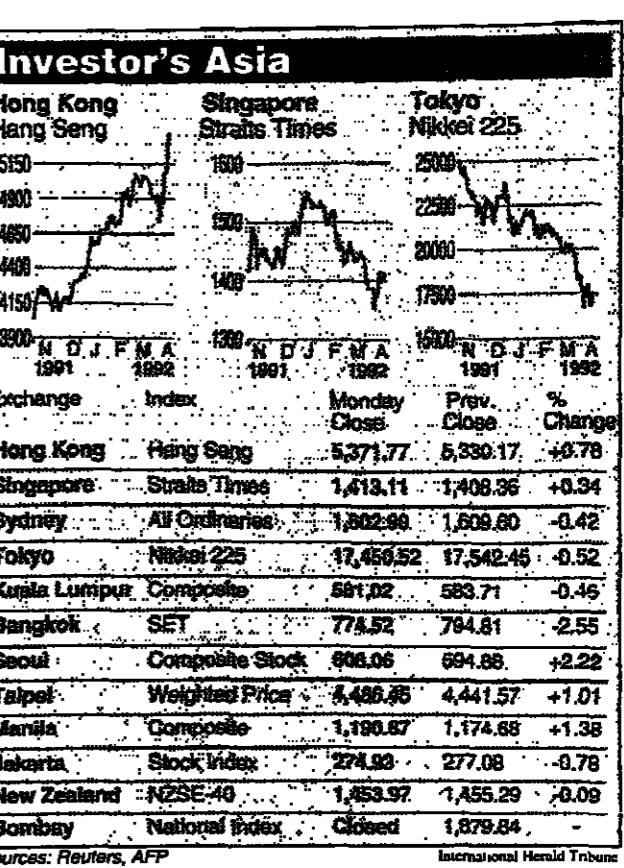


Table with columns for Exchange, Index, Monday Close, Prev. Close, and % Change. Data points for Hong Kong, Singapore, Sydney, Tokyo, Kuala Lumpur, Bangkok, Seoul, Taipei, Manila, Jakarta, New Zealand, and Bombay.

VIETNAM: Bank of Scotland Finances Takeover Japan Prepares

(Continued from first finance page) not to set up liaison offices with full diplomatic functions in each other's capitals, has capital to invest and is strong in construction and consumer electronics. And the United States, with its large population of Vietnamese emigrants, will have a group of Vietnamese speakers at home in both countries.

Yet, in an economy where dollars are scarce and barter often becomes the only option, few seem better positioned to call the shots than Japan's trading companies.

Japanese companies could get a big chunk of the aid-related business. Japanese officials rebut charges that most of their aid is tied to Japanese interests, but Mr. Quang of the Vietnamese Embassy says Japanese companies, which have completed scores of feasibility projects, are best positioned.

CHRISTCHURCH, New Zealand — Bank of Scotland took Monday a majority stake in New Zealand's Countrywide Banking Corp., which announced that it was buying United Bank from its Australian owner.

Countrywide said at a news conference that it had agreed to pay State Bank of South Australia New Zealand 182.5 million New Zealand dollars (\$98 million) for United. Settlement was scheduled for May 8.

Bank of Scotland, which underwrote the purchase, also increased its stake in Countrywide to 60 percent, from 40 percent, by buying shares from the British insurer General Accident PLC for 27.1 million New Zealand dollars.

Tokyo Yields Rise Despite Ministry Move

TOKYO — Bond prices fell Monday as a government move to keep banks from raising interest rates backfired.

After the markets closed on Friday, the Ministry of Finance issued an informal but binding order for banks not to raise their prime rates, now 6 percent, despite a rise in the interest they pay to borrow money.

Reacting to the move on Monday, traders pushed bond prices lower. The yield on the benchmark No. 129 10-year bond rose to 5.667 percent, from 5.617 percent on Friday.

Very briefly:

- The Hang Seng index rose 41.60 points, or 0.78 percent, to a record 5,371.77, after bargain-hunting by foreign investors overcame early profit-taking in the wake of five straight records in Hong Kong last week.
- Dao Heng Bank said it was interested in buying Overseas Trust Bank from the Hong Kong government; Dao Heng is a subsidiary of Guoco Group, which is joining a management buyout of Hoare Govett Asia Ltd.
- Japan's motor vehicle exports rose 4.9 percent from a year earlier, to 530,000 units in March; shipments to the United States fell 2 percent, to 176,000, while those to the European Community fell 9 percent, to 120,000.
- Cathay Pacific Airways, the Hong Kong flag carrier, converted an option on a Boeing 747-400 airplane into a firm order, bringing to 20 the number of such jets it has ordered.
- Pacific Telecommunications Ltd. plans to bid for Hong Kong's fourth cellular-telephone license and will invest 1 billion Hong Kong dollars (\$129.2 million); the bidder's backers include Pacific Electric Wire & Cable Co. of Taiwan and two provincial postal administrations in China.
- Taiwan's president, Lee Teng-hui, reportedly favors Taiwan Aerospace Corp.'s planned \$2 billion investment to buy 40 percent of McDonnell Douglas Corp.'s commercial-aircraft operations.
- Sharp Corp. and Dongda Enterprise (Group) Corp. of China plan to build a 180 million yuan (\$33.0 million) factory to make electronics goods for export in the special economic zone in Zhuhai, near Macao.
- Chissan Co.'s former chairman, Hirotsugu Takai, was sentenced to four years in prison and fined 500 million yen (\$3.71 million) for evading nearly 3.4 billion yen in taxes on stock-trading profits.
- Nissan Motor Co. will discontinue by the end of 1994 the use of chlorofluorocarbons, popular air-conditioner refrigerants that are said to harm the protective ozone layer of the atmosphere.

TO OUR READERS IN BUDAPEST Hand delivery of the IHT is now available on the day of publication. Call today: 175-7735

Large table titled 'INTERNATIONAL FUNDS' listing various investment funds with columns for fund name, currency, and price. Includes sub-sections for 'INTERNATIONAL FUNDS', 'CONVERTIBLE SECURITIES', 'EQUITY PORTFOLIOS', 'FIXED INCOME', 'MUTUAL FUNDS', and 'OTHER FUNDS'.

# SPORTS AMERICA'S CUP

## Controversy on Bowsprit Has Fay's New Zealanders In Familiar Hot Waters

By Barbara Lloyd

**SAN DIEGO** — Michael Fay and his New Zealand yachting team have again fallen into an America's Cup controversy. The Italian team, led by Raul Gardini, has charged that the New Zealanders are violating rules governing the use of a bowsprit, a bow extension on the Kiwi team's 75-foot (22.86-meter) yacht.

### SIDELINES

#### English Soccer Strike Averted By TV Revenue Sharing Pact

**LONDON (Reuters)** — An English first division soccer players' strike was averted when the union agreed Monday on sharing television revenue of the Premier League that is to debut in August.

#### Course Record 62 Gives Love 3d PGA Victory This Season

**GREENSBORO, North Carolina (NYT)** — Davis Love III shot an explosive 10-under-par 62 on Sunday to win the Greater Greensboro Open by six shots for his third PGA Tour victory this season.

#### For the Record

Ethiopia said Monday it will participate in the Olympics in Barcelona, ending a 12-year boycott ordered by former Marxist dictator Mengistu Haile Mariam.

But the Italians found evidence that a bowsprit rule violation had been committed during the race and the jury that governs the challenger trials annulled the match.

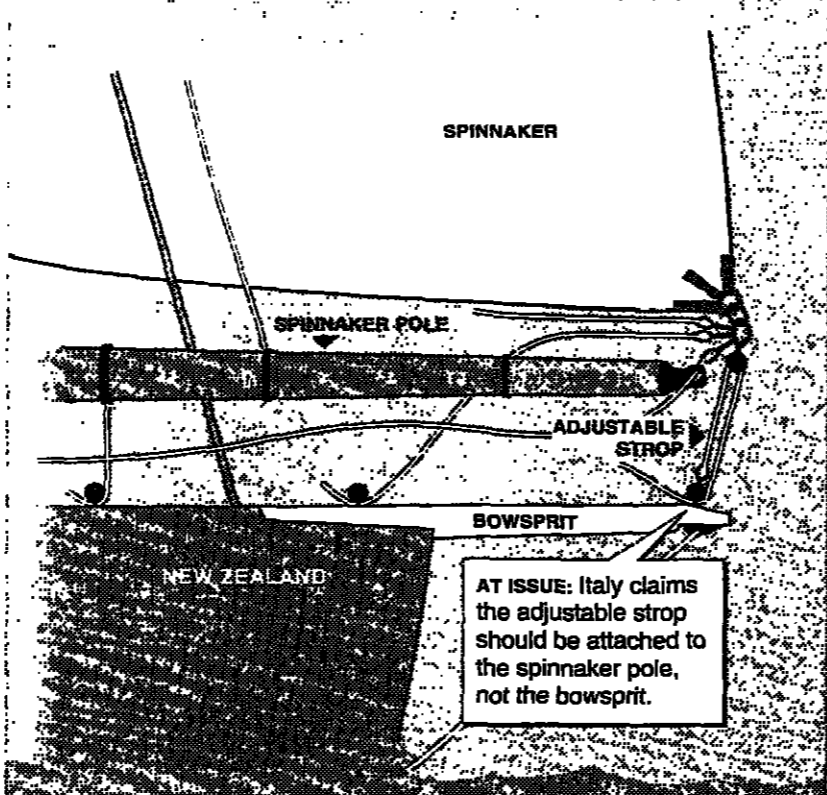
On the defenders' course, Dennis Conner showed once again Sunday that it won't be easy for Bill Koch to close him out of the 7-of-13-race finals. Stars & Stripes defeated Koch's America3 by 1 minute 28 seconds in a race Conner's boat dominated from the start. The result lifted Stars & Stripes' record to 3-4.

The Italians insist that the foreguy rope should be attached directly from the spinnaker, the 4,500-square-foot (418-square-meter) sail hoisted when the cup boats sail downwind, to the spinnaker pole.

The disapproval is steeped in technicalities that only the most avid yacht-racing fan is likely to understand, much less care about. But the 141-year history of the America's Cup has been full of controversy, and Fay

### Poles Apart

Italy's America's Cup team, if Moro di Venezia, claims that New Zealand's method for rigging a spinnaker to the yacht's bowsprit is illegal under regatta rules. New Zealand attaches a rope (adjustable strip) from the bowsprit to a ring that loops through the corner (back) of the spinnaker. Italy says that to comply with the rules, the adjustable strip should lead directly to the spinnaker pole.



The New York Times

has been running headlong into skirmishes since his first campaign, in 1986-87. In that series, Conner and his Stars & Stripes team complained that it was illegal for the Kiwi team to sail with a fiberglass boat when the other teams had aluminum or wooden yachts.

In 1987-88, New Zealand won a legal challenge to race against Conner head-to-head for the America's Cup with a 132-foot yacht. When the New Zealand Cat Boat subsequently lost to Conner's catamaran on the seas, Fay contested the outcome in court. On Sunday, Fay defended the five international judges who have monitored New Zealand's use of the bowsprit throughout the four months of trial racing here. A jury interpretation halfway through the series forced New Zealand to modify its technique, which Fay says the team has done. No other boat competing in the America's Cup sails with a bow extension.

## Kentucky Lures Arazi Wannabes With Derby Fever

By Joseph Durso

**LOUISVILLE, Kentucky** — From every point of the compass, they will come Saturday to see the great Arazi, more than 150,000 of them crisscrossing the brick walks and grass infield of old Churchill Downs for the 118th Kentucky Derby.

And from all points of the compass, 19 other horses will cram the two starting gates to race the great Arazi. Why would they do it? (Not the spectators, but the people who own and handle the other horses.) It's one thing to pay to watch a wonder horse. It's another thing to pay to try to outrun a wonder horse.

From California, half a dozen led by A.P. Indy, who won the Santa Anita Derby, and Fine Bluff, who won the Arkansas Derby. From Florida, half a dozen others, led by Technology, who won the Florida Derby, and by Pistols and Ross, who won the Flamingo and the Blue Grass.

From New York, give Devil His Due his due because he won the Gotham Mile and the Wood Memorial and put the Big Apple on the road to Louisville, too.

From Britain, no less, the Irish candidate, Dr. Devious, who has run either first or second in all seven of his races in England but has yet set foot on American racing soil. And Thyer, who has won two of three in England and also is claiming for a shot at Arazi.

## Colt Lands in U.S.; He Is 'Très Bien'

United Press International

**LOUISVILLE, Kentucky** — Act 1 of the Arazi drama began when the Kentucky Derby favorite and two other Derby hopefuls, Dr. Devious and Thyer, arrived at Standford Field at mid-afternoon on a chartered DC-8 after a nine-hour flight from Beauvais airport outside Paris.

The three horses, plus Arazi's stablemate, Atiko, were put in quarantine across the street from Churchill Downs. Blood was drawn for analysis and flown to the National Veterinary Services lab at Ames, Iowa, where it will be tested.

An Agriculture Department official said the horses could be released from quarantine late Monday or early Tuesday if results of the tests were negative.

Asked how Arazi coped with the flight Sunday, trainer Francois Boutin's head traveling aid, Fabien Gérard, replied, "Très bien."

Trainer Ron McAnally, who handles Dr. Devious for Sid and Jenny Craig, said all four horses appeared to be in good shape.

"As a horseman, looking at all four of them, they all looked very well," McAnally said.

The horses traveled in stalls with low dividers, allowing them to see each other during the flight. Boutin aides said Arazi ate grain and hay during the trip and drank a lot of water. He also was searching for food when he got to the quarantine facility.

meaning 126 pounds, or 57 kilograms. "Secretariat and Citation did it, and they were great ones. And we don't have any of those in this race, no Swale or Fortinador. So, I think he will pull it off. I don't think he has that much to beat."

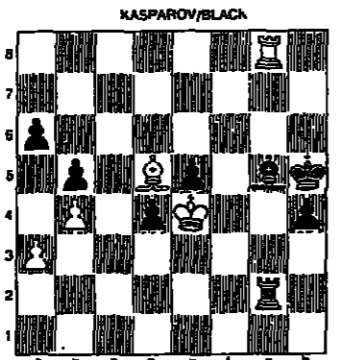
But if anything equals Derby fever, it's Derby hate, and it can be mostly bad. One year ago, Scotty Schulhofer was training three of the top candidates for three different owners, and he was the envy of the training fraternity.

But Sean didn't get to the race. Cahill Road tore a ligament while winning the Wood Memorial and was retired, and Fly So Free ran fifth. Where does that leave Arazi, the wonder horse of 1992?

## CHESS

By Robert Byrne

**I**N the Linares International Tournament, which ended March 14 in Spain, Gary Kasparov of Russia introduced a daring gambit in the fifth round. His opponent was the redoubtable Boris Gelfand, also of Russia. Despite the time Gelfand had for thorough investigation, Kasparov defeated him.



Final Position

The Glicric system against the King's Indian Defense, 7 Bc3, aims to keep the white pawn center fluid. White hopes that a counter attack with 7...Ng4 would draw Black into the less harmonious position after 8 Bg5 16 9 Bh4.

Kasparov's preference in this game was to open the center with 8...e5. Black has an isolated d5 pawn, and a queenside pawn majority and a threat of infiltrating with Nb5 and Nd6. When Black plays routinely with 13...Qc7 14 Bf2, he stands positionally worse after 15 Nc6 bc 16 Bc3 Bc7 17 Ne2 25 18 Nd4.

Exchange and be a pawn down. After he got it with 27...Bb2, Kasparov had material superiority. On 48...Nc3, Gelfand could have lost with 49 R2c6 R6 40 R6 Ng2 41 Ra6 h3 42 Kf2 Ne3 43 Kgl h2 44 Kh1 Nd1 followed by 45...Nf2. So, he put his faith in bishops of opposite color with 49 Kf2 Bg3 50 Kgl Nc2 51 Rc2.

Table with columns: White, Black, White, Black, White, Black. It lists chess moves and piece positions for the final position of the game.

## BOOKS

### THE SECRET DEFECTOR

By Clancy Sigal. 274 pages. \$22. HarperCollins Publishers, 10 East 53rd Street, New York, New York 10022.

Reviewed by Christopher Hitchens

**Y**EARS ago in London—the literary demimonde of Soho London, Fitzrovia London and Hampstead London—there was a notorious romance between a sex-Communist female novelist from Southern Africa and an ex-Communist Hollywood Ten-type indigent born in Chicago.

## PEANUTS



## BEETLE BAILEY



## CALVIN AND HOBBES



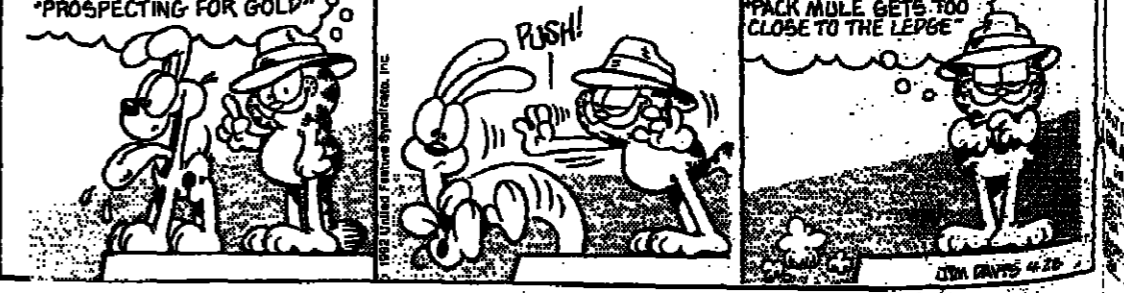
## WIZARD of ID



## REX MORGAN



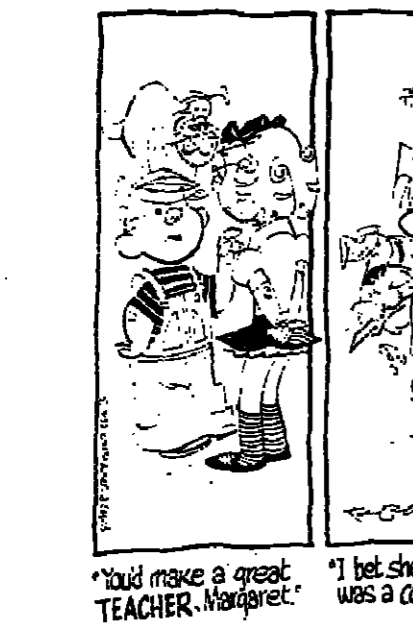
## GARFIELD



## DOONESBURY



## DENNIS THE MENACE



## JUMBLE

Word game section titled 'JUMBLE' with a grid of letters and words to be found. Words listed include ASSOB, RICHA, YERSEG, and TEPLYN. A note says 'A SPONOR IS A PERSON WHO NEVER PAYS AND FINDS THAT...'

Christopher Hitchens, columnist for Harper's and The Nation, is the author most recently of "Blood, Class and Nostalgia: Anglo-American Ironies." He wrote this for The Washington Post.



